63 Docum 🖛 🖖 🦡 No Change in Clasp proved For Release 1999/09/09 COMAP ROP 82-00457 R007400040 003 ASSIFICATION <del>OECRET/CONTROL -</del> Class. Changed To: TS TRAL INTELLIGENCE AGENCY REPORT NO. Auth.: SHR 70-2 <u> 31/07/</u>28 Date: REPORT CD NO. COUNTRY Italy DATE DISTR. 3 Apr 11 1951 SUBJECT Views of a Soviet Official NO. OF PAGES in Western Europe 25X1A NO. OF ENCLS. SUPPLEMENT TO 25X1X REPORT NO.



- 1. A Soviet official in Western Europe, in commenting on the international situation, stated that there are indications that international harmony may be achieved, at least temporarily. The Soviet official feels that, when the conference of Foreign Ministers takes place, several current world problems may be resolved since both sides will make concessions. He felt certain that the conference will take place and that the conclusion of an Austrian peace treaty would result, but that the Soviets will insist upon an American withdrawal from Trieste with a simultaneous Russian withdrawal from Austria.
- 2. Regarding Trieste, the Soviet official said that the Soviets are not fundamentally opposed to returning Trieste to Italy, but, if they agree, it will be with Trieste as the bargaining factor against considerable Western concessions in Austria which would aid in solving the German problem. If the Soviets now insist in twing Trieste to the Austrian peace treaty, it is because the Soviets cannot approach these two problems independently or else the Soviets would be forced to yield on both points without obtaining their requests in other fields, such as in the problem of German rearmament which is a most critical problem for the Soviets. The Soviets are convinced that they can avoid the rearmament of Germany, but they wish to avoid Russia being the one to yield on all points during negotiations. The Soviets seek a compromise of reciprocal concessions of various points under discussion.
- 3. The so-called "stiffening" of Soviet policy, according to the Soviet official, is the result of the situation in which Russia finds herself; namely, alone against the United States, Great Britain and France. The Soviets aim to avoid being isolated in the diplomatic field, and are therefore doing everything possible to bring China to the fore as the fifth great power. At the same time, the Soviets have the basic purpose of avoiding encirclement by countries in a military alliance under the guidance of the United States.
- 4. The Soviet official further stated that the Soviets can overcome any political economic or military bloc if she does not find herself CONFIDENTIAL

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isolated and encircled at the moment of decision. Therefore, the Soviets are seeking all ways to exploit circumstances as they arise which might bring about serious reactions by the Americans, and thereby place Russia in an inferior position.

- 5. According to the Soviet official, Soviet policy has two concrete and immediate objectives:
  - a. Prevention of the rearmament of Germany to avoid complete European encirclement; and
  - b. Inclusion of Communist China among the great powers, so that the Soviet Union will not be isolated in the political and diplomatic fields.

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